

Prime Minister 4
To see. I have
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BOX

SWAN HUNTER

The Rt Hon Mrs Margaret Thatcher MP PC
The Prime Minister
10 Downing Street
LONDON
SW1

1. Mr. Powell - to see
2. PA

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24th June 1988

Dear Prime Minister

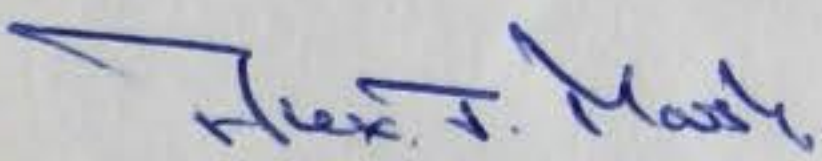
Swan Hunter have had a notable and successful year. The attached broad sheet highlights some of the changes and achievements which have taken place since privatisation.

In conjunction with all our employees and the local community, we have made a success of warship construction and have grown into export markets. Our economic strength and commercial viability underpins the regeneration of a large sector of the industrial North East. In that context it is essential to us that two of the four frigates, for which orders are currently pending from the Ministry of Defence, are won by Swan Hunter.

The efficiency and strength of this Company comes from the people that it employs and the spirit of cooperation which is now the hallmark of all our activities. Today we have concluded a new two year agreement with all our people, incorporating radical changes in working methods and an end to traditional issues of demarcation and inefficient practices. Through working together Swan Hunter achieved a unique standard of excellence on HMS SHEFFIELD and we are trying to improve, even on that, with HMS COVENTRY when she is handed over on 1st July.

May I ask you to ensure that all these factors are taken into account when making decisions on the pending Type 23 frigate orders. We are grateful for your past support - the benefits of which are now apparent in the community, within the Company and most important of all, to the Ministry of Defence.

Yours sincerely


Alex J Marsh
Chief Executive



Cite M

CCMOD

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

27 June 1988

I am writing on behalf of the Prime Minister, who is currently attending the meeting of the European Council in Hanover, to thank you for your letter of 24 June which I know the Prime Minister will be interested to see on her return.

PAUL GRAY

Alex Marsh, Esq.



Cite SH

10 DOWNING STREET
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From the Private Secretary

27 June 1988

I enclose a copy of a letter from Mr. Alex Marsh, Chief Executive of Swan Hunter, concerning orders for Type 23 frigates. I also enclose a copy of a brief acknowledgement which I have sent. It calls for no immediate further action.

PAUL GRAY

Ian Andrews, Esq.,
Ministry of Defence

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